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**ANNUAL AUDITED REPORT
FORM X-17A-5
PART III**

FACING PAGE

**Information Required of Brokers and Dealers Pursuant to Section 17 of the
Securities Exchange Act of 1934 and Rule 17a-5 Thereunder**

REPORT FOR THE PERIOD BEGINNING 09/05/02 AND ENDING 12/31/04
MM/DD/YY MM/DD/YY

A. REGISTRANT IDENTIFICATION

NAME OF BROKER-DEALER:

Amtex Associates, LLC

OFFICIAL USE ONLY

ADDRESS OF PRINCIPAL PLACE OF BUSINESS: (Do not use P.O. Box)

5528 Preston Haven Drive

(No. and Street)

Dallas

(City)

Texas

(State)

75230

(Zip Code)

NAME AND TELEPHONE NUMBER OF PERSON TO CONTACT IN REGARD TO THIS REPORT

(Area Code - Telephone No.)

B. ACCOUNTANT IDENTIFICATION

INDEPENDENT PUBLIC ACCOUNTANT whose opinion is contained in this Report*

Phillip V. George, PLLC

(Name - if individual, state last, first, middle name)

2300 Honey Locust Drive

(Address)

Irving

(City)

Texas

(State)

75063

(Zip Code)

CHECK ONE:

- ☒ Certified Public Accountant
☐ Public Accountant
☐ Accountant not resident in United States or any of its possessions.

FOR OFFICIAL USE ONLY

*Claims for exemption from the requirement that the annual report be covered by the opinion of an independent public accountant must be supported by a statement of facts and circumstances relied on as the basis for the exemption. See section 240.17a-5(e)(2).


SEC 1410 (06-02)

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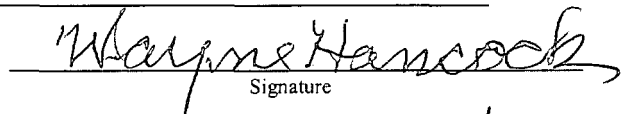
OATH OR AFFIRMATION

I, Wayne Hancock, swear (or affirm) that, to the best of my knowledge and belief the accompanying financial statement and supporting schedules pertaining to the firm of Amtex Associates, LLC, as of December 31, 2004, are true and correct. I further swear (or affirm) that neither the company nor any partner, proprietor, principal officer or director has any proprietary interest in any account classified solely as that of a customer, except as follows:

NONE

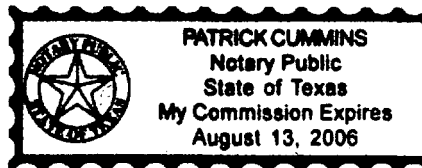


Notary Public



Signature
PRESIDENT 02/17/2005

Title



This report** contains (check all applicable boxes):

- ☒ (a) Facing page.
- ☒ (b) Statement of Financial Condition.
- ☒ (c) Statement of Income (Loss).
- ☒ (d) Statement of Cash Flows.
- ☒ (e) Statement of Changes in Stockholders' Equity or Partners' or Sole Proprietor's Capital.
- ☐ (f) Statement of Changes in Liabilities Subordinated to Claims of Creditors.
- ☒ (g) Computation of Net Capital.
- ☐ (h) Computation for Determination of Reserve Requirements Pursuant to Rule 15c3-3.
- ☐ (i) Information Relating to the Possession or control Requirements Under Rule 15c3-3.
- ☐ (j) A Reconciliation, including appropriate explanation, of the Computation of Net Capital Under Rule 15c3-1 and the Computation for Determination of the Reserve Requirements Under Exhibit A of Rule 15c3-3.
- ☐ (k) A Reconciliation between the audited and unaudited Statements of Financial Condition with respect to methods of consolidation.
- ☒ (l) An Oath or Affirmation.
- ☐ (m) A copy of the SIPC Supplemental Report.
- ☐ (n) A report describing any material inadequacies found to exist or found to have existed since the date of the previous audit.
- ☒ (o) Independent auditor's report on the internal control as required by SEC rule 17a-5.

****For conditions of confidential treatment of certain portions of this filing, see section 240.17a-5(e)(3).**

**AMTEX ASSOCIATES, LLC
(A DEVELOPMENT STAGE COMPANY)**

FINANCIAL REPORT

DECEMBER 31, 2004

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PHILLIP V. GEORGE, PLLC
CERTIFIED PUBLIC ACCOUNTANT

INDEPENDENT AUDITOR'S REPORT

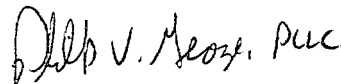
To the Member
Amtex Associates, LLC

We have audited the accompanying statement of financial condition of Amtex Associates, LLC (a development stage company) as of December 31, 2004, and the related statements of income, changes in member's equity, and cash flows for the period from September 5, 2002 (inception) to December 31, 2004, that you are filing pursuant to rule 17a-5 under the Securities Exchange Act of 1934. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Amtex Associates, LLC as of December 31, 2004, and the results of its operations and its cash flows for the period from September 5, 2002 (inception) to December 31, 2004, in conformity with accounting principles generally accepted in the United States of America.

Our audit was conducted for the purpose of forming an opinion on the basic financial statements taken as a whole. The information contained in Schedule I is presented for purposes of additional analysis and is not a required part of the basic financial statements, but is supplementary information required by rule 17a-5 under the Securities Exchange Act of 1934. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated in all material respects in relation to the basic financial statements taken as a whole.



PHILLIP V. GEORGE, PLLC

Irving, Texas
January 11, 2005

AMTEX ASSOCIATES, LLC
(A Development Stage Company)
Statement of Financial Condition
December 31, 2004

ASSETS

Cash	\$ 7,007
Prepaid expenses	<u>500</u>
TOTAL ASSETS	<u><u>\$ 7,507</u></u>

LIABILITIES AND MEMBER'S EQUITY

Liabilities

Total Liabilities	<u>\$ -</u>
Member's Equity	<u>7,507</u>
TOTAL LIABILITIES AND MEMBER'S EQUITY	<u><u>\$ 7,507</u></u>

AMTEX ASSOCIATES, LLC
(A Development Stage Company)
Statement of Income
Period from September 5, 2002 (Inception) to December 31, 2004

Revenue

Interest income	<u>\$ 53</u>
TOTAL REVENUE	<u>53</u>

Expenses

Occupancy and equipment costs	7,500
Regulatory fees and expenses	5,500
Professional fees	2,777
Other expenses	<u>369</u>
TOTAL EXPENSES	<u>16,146</u>
NET LOSS	<u><u>\$ (16,093)</u></u>

AMTEX ASSOCIATES, LLC
(A Development Stage Company)
Statement of Changes in Member's Equity
Period from September 5, 2002 (Inception) to December 31, 2004

Member's equity, September 5, 2002 (Inception)	\$ -
Member's contributions	23,600
Net loss since inception	<u>(16,093)</u>
Member's equity, December 31, 2004	<u>\$ 7,507</u>

AMTEX ASSOCIATES, LLC
(A Development Stage Company)
Statement of Cash Flows
Period from September 5, 2002 (Inception) to December 31, 2004

Cash flows from operating activities:

Net loss	\$ (16,093)
Adjustments to reconcile net loss to net cash used in operating activities:	
Change in assets and liabilities:	
Increase in prepaid expenses	<u>(500)</u>
Net cash used in operating activities	<u>(16,593)</u>

Cash flows from financing activities:

Member's contributions	<u>23,600</u>
Net increase in cash	7,007
Cash at beginning of period	<u>-</u>
Cash at end of period	<u><u>\$ 7,007</u></u>

Supplemental Disclosures of Cash Flow Information:

There was no cash paid during the period for interest or income taxes.

AMTEX ASSOCIATES, LLC
(A Development Stage Company)
Notes to Financial Statements

Note 1 - Nature of Business and Summary of Significant Accounting Policies

Nature of Business:

Amtex Associates, LLC (the Company) was organized on September 5, 2002 as a Texas limited liability company. The Company's registration with the Securities and Exchange Commission (SEC) as a broker/dealer in securities became effective March 4, 2004. The Company is a member of the National Association of Securities Dealers, Inc. (NASD). The Company has no customers and has not transacted any securities business and is therefore currently in the development stage.

Significant Accounting Policies:

Basis of Accounting

The Company operates under the provisions of Paragraph (k)(i) of Rule 15c3-3 of the SEC and, accordingly, is exempt from the remaining provisions of that Rule. Essentially, the requirements of Paragraph (k)(i) provide that the Company limit its business to the selling of direct participation programs.

Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of the assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Income Taxes

The Company elected to be taxed as a corporation and also elected to be taxed under the provisions of Subchapter S of the Internal Revenue Code, resulting in all tax liabilities or benefits relating to the operations of the Company passing through to the sole member.

AMTEX ASSOCIATES, LLC
(A Development Stage Company)
Notes to Financial Statements

Note 2 - Net Capital Requirements

The Company is subject to the SEC uniform net capital rule (Rule 15c3-1), which requires the maintenance of a minimum amount of net capital and requires that the ratio of aggregate indebtedness to net capital, both as defined, shall not exceed 8 to 1 during the first year of operations. Rule 15c3-1 also provides that equity capital may not be withdrawn or cash dividends paid if the resulting net capital ratio would exceed 10 to 1. At December 31, 2004, the Company had net capital and net capital requirements of \$7,007 and \$5,000, respectively. The Company's net capital ratio was zero to 1.

Note 3 - Related Party Transactions

The sole member leased a portion of his personal residence to the Company from September 2003 to November 2004 for \$500 per month. This lease was terminated effective November 30, 2004, at which time the sole member began providing office space to the Company for no charge. The Company paid \$7,500 under the agreement during the period, which is reflected in the accompanying statement of income as occupancy and equipment costs.

Note 4 - Subsequent Event

The Company received contributions from the sole member totaling \$2,000 in January 2005.

Schedule I

AMTEX ASSOCIATES, LLC
(A Development Stage Company)
Computation of Net Capital and Aggregate
Indebtedness Pursuant to Rule 15c3-1
December 31, 2004

Total member's equity qualified for net capital	<u>\$ 7,507</u>
Deductions and/or charges	
Non-allowable assets:	
Prepaid expenses	<u>500</u>
Total deductions and/or charges	<u>500</u>
Net Capital	<u><u>\$ 7,007</u></u>
Aggregate indebtedness	
Total aggregate indebtedness	<u><u>\$ -</u></u>
Computation of basic net capital requirement	
Minimum net capital required (greater of \$5,000 or	
6 2/3% of aggregate indebtedness)	<u><u>\$ 5,000</u></u>
Net capital in excess of minimum requirement	<u><u>\$ 2,007</u></u>
Ratio of aggregate indebtedness to net capital	<u><u>Zero to 1</u></u>

Note: The above computation does not differ from the computation of net capital under Rule 15c3-1 as of December 31, 2004 as filed by Amtex Associates, LLC on Form X-17A-5. Accordingly, no reconciliation is deemed necessary.

PHILLIP V. GEORGE, PLLC
CERTIFIED PUBLIC ACCOUNTANT

INDEPENDENT AUDITOR'S REPORT
ON INTERNAL CONTROL

Board of Directors
Amtex Associates, LLC

In planning and performing our audit of the financial statements and supplemental schedule of Amtex Associates, LLC (the Company) for the period March 4, 2004 (effective date of SEC registration) to December 31, 2004, we considered its internal control, including control activities for safeguarding securities, in order to determine our auditing procedures for the purpose of expressing our opinion on the financial statements and not to provide assurance on internal control.

Also as required by rule 17a-5(g)(1) of the Securities and Exchange Commission (SEC), we have made a study of the practices and procedures followed by the Company including tests of such practices and procedures that we considered relevant to the objectives stated in rule 17a-5(g) in making the periodic computations of aggregate indebtedness and net capital under rule 17a-3(a)(11) and for determining compliance with the exemptive provisions of rule 15c3-3. Because the Company does not carry securities accounts for customers or perform custodial functions relating to customer securities, we did not review the practices and procedures followed by the Company in any of the following:

1. Making quarterly securities examinations, counts, verifications and comparisons
2. Recordation of differences required by rule 17a-13
3. Complying with the requirements for prompt payment for securities under Section 8 of Federal Reserve Regulation T of the Board of Governors of the Federal Reserve System.

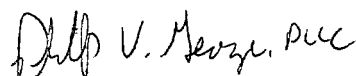
The management of the Company is responsible for establishing and maintaining internal control and the practices and procedures referred to in the preceding paragraph. In fulfilling this responsibility, estimates and judgments by management are required to assess the expected benefits and related costs of controls and of the practices and procedures referred to in the preceding paragraph, and to assess whether those practices and procedures can be expected to achieve the SEC's above-mentioned objectives. Two of the objectives of internal control and the practices and procedures are to provide management with reasonable but not absolute assurance that assets for which the Company has responsibility are safeguarded against loss from unauthorized use or disposition, and that transactions are executed in accordance with management's authorization and recorded properly to permit preparation of financial statements in accordance with generally accepted accounting principles. Rule 17a-5(g) lists additional objectives of the practices and procedures listed in the preceding paragraph.

Because of inherent limitations in internal control or the practices and procedures referred to above, error or fraud may occur and not be detected. Also, projection of any evaluation of them to future periods is subject to the risk that they may become inadequate because of changes in conditions or that the effectiveness of their design and operation may deteriorate.

Our consideration of internal control would not necessarily disclose all matters in internal control that might be material weaknesses under standards established by the American Institute of Certified Public Accountants. A material weakness is a condition in which the design or operation of the specific internal control components does not reduce to a relatively low level the risk that error or fraud in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. However, we noted no matters involving internal control, including control activities for safeguarding securities that we consider to be material weaknesses as defined above.

We understand that practices and procedures that accomplish the objectives referred to in the second paragraph of this report are considered by the SEC to be adequate for its purposes in accordance with the Securities Exchange Act of 1934 and related regulations, and that practices and procedures that do not accomplish such objectives in all material respects indicate a material inadequacy for such purposes. Based on this understanding and on our study, we believe that the Company's practices and procedures were adequate at December 31, 2004 to meet the SEC's objectives.

This report is intended solely for use of the Board of Directors, management, the SEC, the National Association of Securities Dealers, Inc. and other regulatory agencies that rely on rule 17a-5(g) under the Securities Exchange Act of 1934 in their regulation of registered brokers and dealers, and is not intended to be and should not be used by anyone other than these specified parties.



PHILLIP V. GEORGE, PLLC

Irving, Texas
January 11, 2005